Chevron U.S.A. Production Company

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Arthur P. Mitchell Senior Counsel

March 15, 2002

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Honorable Felix J. Boudreaux Commissioner of Conservation State of Louisiana P.O. Box 94275, Capitol Station Baton Rouge, Louisiana 70804-9275

Re: Hearing Application 8A Sand, Reservoir I West Bay Field Plaquemines Parish, LA

Dear Commissioner Boudreaux:

Application is hereby made by Chevron U.S.A. Inc. ("Applicant") for the calling of a public hearing, after legal notice, to consider evidence relative to the issuance of an order pertaining to the following matters relating to the 8A Sand, Reservoir I, in the West Bay Field, Plaquemines Parish, Louisiana.

- 1. To establish rules and regulations and to create a single drilling and production unit for the exploration for and production of oil and gas from the 8A Sand, Reservoir I, in the West Bay Field, Plaquemines Parish, Louisiana, said unit to be designated 8A RI SU A.
- 2. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the proposed unit, with each separate tract sharing in unit production on a surface acreage basis of participation.
- 3. To designate Chevron U.S.A. Inc. as operator of the proposed unit.
- 4. To designate Applicant's J.G. Timolat "B" No. 160 S/T1 Well as the unit well for the 8A RI SU A in exception to the spacing provisions of Statewide Order No. 29-E.
- 5. To provide that any future wells drilled to, completed in or recompleted in the 8A Sand, Reservoir I, in the West Bay Field, shall be exempt from the spacing provisions of Statewide Order No. 29-E.

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- 6. To provide that the Commissioner of Conservation should be authorized to reclassify the reservoir by supplemental order without the necessity of a public hearing if the producing characteristics of the reservoir change and evidence to justify such reclassification is submitted to and accepted by the Commissioner.
- 7. To consider such other matters as may be pertinent to this application.

The 8A Sand, Reservoir I, in the West Bay Field, is defined as that oil and gas bearing sand encountered between the depths of 9586' and 9767' (electric log measurements) (subsea depths of –8473' and –8558') in the Chevron U.S.A. Inc.—J.G. Timolat "B" No. 160 S/T1 Well, which has a surface location in Section 1, Township 23 South, Range 30 East, and a bottomhole location in Section 36, Township 22 South, Range 30 East, Plaquemines Parish, Louisiana.

A pre-application notice letter dated February 19, 2002 was mailed to the Commissioner of Conservation with copies being sent to each Interested Owner and Represented Party. A conference was not requested and accordingly, none was held.

All pertinent data relating to the subject application is available for inspection at the offices of Louis Gilbert & Associates, 3636 N. Causeway Blvd., Suite 204, Metairie, Louisiana 70002. Any person wishing to inspect such data should call Mr. Dugue' Daigle at (504) 834-8112 during normal business hours in order to arrange a date and time for such inspection. A copy of any such pertinent data that is not otherwise available from the Office of Conservation can be obtained from Mr. Daigle at the cost of the requesting party.

There are attached hereto and made a part hereof, a plat outlining the proposed unit and a list of the names and addresses of the Interested Owners and Represented Parties to whom this application is being sent. Pursuant to the Revised Rules of Procedure, such list of parties is being furnished ONLY to the Commissioner of Conservation and to the District Manager of the Lafayette District of the Office of Conservation; however, the list of parties will be furnished to any party requesting copies. A reasonable effort was made to ascertain the names and addresses of all Interested Owners, Represented Parties and Interested Parties.

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Finally, enclosed is a Chevron check in the amount of \$700.00 payable to the State of Louisiana, Office of Conservation, to cover the required hearing application fee.

Kindly set this matter for hearing at the earliest convenient date.

Respectfully submitted,

CHVERON U.S.A. INC.

cc: Mr. Richard D. Hudson

District Manager

Office of Conservation

825 Kaliste Saloom Road

By Arthu P Metitell

Brandywine III, Suite 220

Lafayette, Louisiana 70508-4284

Interested Owners and Represented Parties

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